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September 19, 2007

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VIA HAND DELIVERY

Honorable William H. Pauley, III
United States District Court
Southern District of New York
500 Pearl Street
New York, New York 10007-1312

Re: In re Kleinert's, Inc.
07-CIV-4830 (WHP)

Dear Judge Pauley:

We represent Saks Incorporated, Saks Fifth Avenue, Inc., Carson Pirie Scott, Parisian, Inc., Younkers, Profitt's, and McRaes, Inc. (collectively, the "Defendants") in connection with the above-referenced motion for withdrawal of the reference of the adversary proceeding captioned Kittay v. Saks Incorporated, et al., Adv. Pro. No. 05-3067 (BRL) (the "Adversary Proceeding"), which is pending before the Honorable Burton R. Lifland, United States Bankruptcy Judge.

As we previously advised the Court, the Adversary Proceeding has been assigned to mediation by the Bankruptcy Court. The parties submitted written statements of their contentions to the mediator several weeks ago. Due to the conflicting schedules of the principal client representatives and the mediator, however, the parties were not able to schedule their first mediation session before October 1, 2007, three days after the current date for an initial pretrial conference in this matter, which is presently scheduled for September 28, 2007 at 11:30 a.m.

In order to permit the parties to focus their attention on the mediation process, which, if successful, will resolve the Adversary Proceeding and obviate the need for the Court to resolve the Defendants' motion, both the Defendants, and David Kittay, the Trustee-Plaintiff, respectfully request that the Court adjourn the pretrial conference in this matter for an additional 45 days.

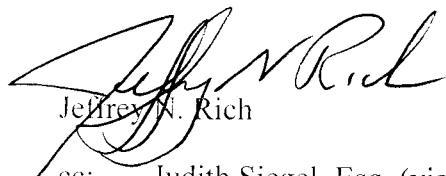
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This is the parties' second request for an adjournment. Counsel for all of the parties would be available to participate in a rescheduled pretrial conference, subject to the Court's calendar, at any time on November 2, 9, or 16.

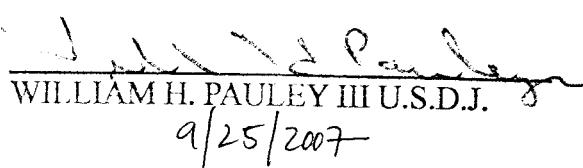
Respectfully yours,



Jeffrey N. Rich

cc: Judith Siegel, Esq. (via email and first class mail)

Application granted. The conference is
adjourned until November 16, 2007 at
12:00 p.m.
SO ORDERED:



WILLIAM H. PAULEY III U.S.D.J.

9/25/2007